

## INTEGRATION OF INFORMATION TECHNOLOGY WITH HUMAN RESOURCE TRAINING AND ITS IMPACT ON PERFORMANCE

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### ABSTRACT

This research paper investigated the various software used by the different department of the companies and the impact of information technology on human resource management, in relation to training and performance enhancement of their employees. The research adopted the quantitative approach to analyze the objectives using 50 organizations of Hyderabad. With change in information technology, it is necessary for the organization to incur training cost which leads to improvement in the performance of the employees and development of the organization. The research shows that there are different software which are used in different departments, like HR, Marketing, Finance, Services, Purchase, Inventory etc. In order these software the company must provide training to their employees and further should have better understanding with the IT companies who are programming that software, or customizing the software according to company's requirement. Study also shows strong relation between training and the performance of the employees.

**KEYWORDS:** Information Technology, Human Resource Training, Performance

### INTRODUCTION

Technology and the ability to innovate are increasingly becoming critical requirement in every organization, for this purpose every organization has to adopt the policy of "learning organization". Many organizations emphasize the use of technology to capture knowledge and sharing it among their workers. Most important of it is to transfer individual knowledge into organizational knowledge, which can be possible only through learning organization policy. The main purpose of this paper was to analyze the impact of information technology on human resource management and organizational learning through training. Training are provided to help establishing a bridge for organizational goal and employee performance, resource sharing and promote development.

### Review of Literature

To maintain a competitive advantage in the market place, organization needs to balance the resources available, to achieve the desired results of profitability and existence. The resources that are available to the organization are of three categories, physical, organizational and human. Porter (1990) acknowledged that the management of human resource is the most essential requirement for gaining a competitive sustenance in the market. Greer (1995) stated that, it is being recognized that competitive advantage can be obtained with high quality work force that enable organizations to complete on the basis of market response about the quality of their product and service.

Technology and the ability to innovate are increasingly becoming critical requirement in every organization, for this purpose every organization has to adopt the policy of "learning organization". The perks of information technology are

not only applicable to the productivity and profitability, but also help in growth and development of the human resource cognitively. Integration of information technology and human resource is required to achieve higher degree of business process efficiency, with this need information technology and organizational development should be aligned with business strategy. Many organizations emphasize the use of technology to capture knowledge and sharing it among their workers. Most important of it is to transfer individual knowledge into organizational knowledge, which can be possible only through learning organization policy.

Information technology is an effective way to accomplish human resource record keeping; human resource transaction and other administrative task can be done efficiently and accurately, thus save money and time. It can also serve as administrative and expert advisor in most of human resource functions like recruitment, training & development and reward system.

Information technology has changed human resource function completely from the last decade. It provide support in both administrative activities such as payroll, attendance management and recruitment function for short and long term basis and also in processing activities such as data processing for employees, customers and products. The human resource function consists of tracking existing employee data which traditionally includes personal skills, capabilities, competencies, achievements and date of increments. To reduce the manual workload of these administrative activities, organizations began to electronically automate many of these processes by introducing specialized human resource management systems. Human resource executives rely on internal or external information technology professionals to develop and maintain an integrated human resource management system (Wikipedia).

Transformational human resource activities are those actions of an organization that add value to the consumption of the organizational product or services (Kavanagh, Gueutal & Tannenbaum, 1990). The greatest benefit of utilizing information technology in human resource management of any organization is the liberating of human resource staff from intermediary roles, thus enabling them to concentrate on strategic planning. Collaboration of human resource management and information technology has also been identifies as a crucial success factor in organizational success. Integration of information technology into human resource management process required for quality of human resource management service (Panayotopoulou, Vakola, Galamaki, 2007).

The human capital of an organization consists of the people who work therein and on whom organizational success depends (Bontis, Dragonetti, Jacobsen and Roos, 1999). Other organizational resources (technology, information, finance etc) are generally available, the only area where competitive advantages can be gained through the unique contribution of the people within the organization. Pfeffer (1994) argues that organizations wishing to succeed in today's global and dynamic environment must acquire and develop employees who possess better skills and capabilities than their competitors. HR practices of the organization can lead to competitive advantage through developing a unique and valuable human capital pool.

Becker and Huselid (2006) stress the importance of human resource systems and structure, i.e, the "systems, practices, competencies and employee performance behaviors that reflect the development and management of the firm's strategic human capital". There was a growing realization within the management that people costs were a very significant part of a company's budget. Some companies estimated that personnel costs were as high as 80 % of their operating costs; as a result there was growing demand on human resource management function to justify costs of employee programs and services, which added emphasis on the return on investment of the human resource function and its programs

(Cascio, 1984, 2000).

Evaluation of training costs compares the cost incurred in conducting an HRD programs to benefits received by the organization and can involve two categories of activities cost benefits evaluation and cost effective evaluation (Cascio, 2001). Cost benefit analysis involves comparing the monetary costs of training of the benefits received in nonmonetary terms such as improvements in attitude, safety and health. Cost effective analysis focuses on the financial benefits accrued from training such as increases in quality and profits and reduction in waste and processing time (Jon & De Simone, 2011)

### Research Methodology

The main purpose of this paper was to analyze the impact of information technology on human resource management and organizational learning through training. For the purpose of data was obtained from 50 organizations of Hyderabad such as (IT Services, Insurance companies, Consultancies, Private Banks, Advertising & Media Company, Interior Designing, BPO, Financial Services, Telecommunication/Mobile). The research implication was whether information technology provides scope for growth & development of the employee and enhances the organizational performance and how often the IT companies have to provide training to their employees. A survey questionnaire was design by taking different criteria's of information technology and its relation with growth and sustainability. Questionnaires were distributed to human resource department of different companies. The respond rate was 68.7 %.

### Objectives of the Study

- To know about the frequency of the training for the human resource based on the change in information technology
- To find out the information technology (Different Software's) used in various department of the organization and how it is integrated with human resource training.
- To study the impact of human resource training about information technology on the performance of the employees

### Research Result Interpretation

Foster (2009), has observed that organizations typically choose one of three paths when implementing training of human resource with technology.

- **Replication:** It is a refreshing activity, where existing technology becomes non viable or simply out of date.
- **Enhancement:** New system provides additional functionality, like improved integration and reporting, here training has the evolutionary impact on the overall functions of human resource service delivery model.
- **Transformational:** It involves revolutionary restructuring of human resource services deliveries.

Training programs help employees not only build relationship with their peer, and transfer and share knowledge among themselves but also increase employees personal knowledge and human capital of the organization. This knowledge that potentially forms the foundation for the learning organization and knowledge accumulation. Training are provided to help establishing a bridge for organizational goal and employee performance, resource sharing and promote development.

- **Independent Learning Resources:** A variety of professional teaching resource libraries, high quality online courses and experimental systems, course material, management development program, webinars.
- **Technical Training Resource:** Long term training, short term training and skill training.
- **Enterprise Technology Resource Library:** In line with user needs exclusive window will be opened for companies need, whose technical information is released. Employees in the company may enter the window via their own user name and passwords for technical information, retrieval such as information portal.

**Table 1: Frequency of the Training Program**

S. No	Department	Replication	Enhancement	Transformational
1.	Finance Account	Quarterly	Annual	Based on Requirement
2.	Human Resource	Biannual	Annual	Based on Requirement
3.	Marketing	Quarterly	Annual	Based on Requirement
4.	Service	Frequently	Frequently	Frequently

**Table 2: Software Used in Different Departments**

S. No	Name of the Software	Usage of Software
		Human Resource Department
1	Ultimate software	Payroll, benefit administration, time and attendance
2	Bamboo HR	Payroll and integration
3	Namely	Competency & People management features, time off request
4	Kronos	Payroll & employee time and attendance tracking
5	Ascentis	HRIS, Payroll
6	HR Smart	Payroll process, scale
7	Patriot	Payroll, taxes generate reports
8	iRecruit	Recruitment solutions- automate the applicant tracking process
9	Vibe	HR Communication analysis and Payroll
10	Sage HRMS	Payroll, work on changing tax laws
Marketing Department		
1	Act On	Email marketing, Webinar
2	Eloque Marketing conversion	Plan, execute, evaluate targeted marketing campaign (email/sms)
3	Sharp Spring	CRM (Customer relation management) & Call tracking
4	Boomity	Online marketing campaign
5	Radius	Customers, new prospect and deliver insights to sale
6	Deskgod	Web sale process on website
7	Marketo	Generate qualified, lead & translate marketing spending into revenue
8	Plumb5	Web analysis, on/off line integration lead generation social engagement
9	Salesnet	Web based SFA(Sales force automation) tool
10	Buzz portal	Automated marketing- Communicating, attracting & engaging with audience
Finance Department		
1	Loan Performer	Handles individual clients, groups and businesses. Deposits and loans can be tracked
2	Novo doba	structured integrated banking applications system which covers the entire range of banking activities, from retail savings and loans and all corporate operations to data exchanges with payment systems and card institutions
3	Corniche	Manage multiple financial entities, Support for commodities as currencies for brokerage services, online banking and card management
4	Nortridge Loan System	Automate the servicing of their loan portfolios and realize increases in the efficiency and accuracy of their operations. Tracking and accounting for your loan portfolio and also includes customer relationship management, collections, funds disbursement, security and reporting.
5	Capital Global Marketing	Middle market transactions, providing expertise in implementation & integration projects in the capital markets area.

**Table 3: Contd.,**

6	4 sight securities	Finance, share market
7	ABS	Loan management and recovery system, provides end to end capabilities for contact management, policy administration, billing, servicing, carrier interface, claims & premium accounting.

The IT companies who are providing these software's to the rest of the companies hire the computer programmers, to prepare the program according to the requirement of the client/customer/companies. They further train the employees of the company how to use the software for their own benefits. Training has become a core value for organizations and managers view employee education, training and development as critical to organizations success (Hackett, 1997), He further stated that Informational technology drove organizational change and learning, and human resource development become more strategic as improving organizational and individual performance becomes more critical. The relationship between training and performance is ambiguous; same is the case with information technology, training and efficiency of the employees.

**Table 4: Relation between Training and Performance**

Sl. No	Performance Criteria's	Significance Level
1	Efficiency	.003
2	Competencies	.007
3	Satisfaction from team leader/clients/customers	.001
4	Promptness	.023

Efficiency is working with the software without any error, competency is developing the new method in the given software and asking the IT Company for the change in the software according the requirement of the company, satisfaction from the team leader/supervisor about the work of the employee and promptness is related to completion of the work before the deadline. Based on the above criteria's the training was evaluated, the significance levels of training and performance criteria's are mention in the above table. Many organization stated that the cost of training is again very high, mostly they provide training once the employee complete his/her six months in the organization, before that the employee learn from the team members.

## CONCLUSIONS

Technology and the ability to innovate are increasingly becoming critical requirement in every organization, for this purpose every organization has to adopt the policy of "learning organization". To meet the need for cost savings and improved speed of service, there is a need for better, faster and smarter use of integration of information technology with human resource management. Usage of different software for the better transaction in different department reduces the time and energy. But in order to implement these in an organization human resource must be provided with training and retraining according to the requirement of the company. The research shows that there are different software which are used in different departments, like HR, Marketing, Finance, Services, Purchase, Inventory etc. In order these software the company must provide training to their employees and further should have better understanding with the IT companies who are programming that software, or customizing the software according to company's requirement. Study also shows strong relation between training and the performance of the employees.

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